

November 2001 Highlights

A strong housing market was behind yet another solid performance by New Jersey's construction industry. Localities issued building permits for 2,928 new houses in November. The estimated cost of all residential activity, which includes new houses as well as work on existing ones, totaled \$420 million. This was 55.2 percent of the \$761.2 million authorized by building permits in November; 512 municipalities reported.

Top Municipalities

Cranbury Township in Middlesex County led all localities with \$38.3 million. Hanover Township in Morris County had \$20.2 million. Large new warehouses accounted for most of the activity in both communities. The new facility in Cranbury is for a publishing concern that distributes school textbooks. The estimated cost of the structure is \$35 million and, when complete, will total nearly 900,000 square feet. The facility in Hanover has an estimated cost of \$17.6 million, and is expected to have 280,000 square feet of new storage space for a manufacturer and distributor of fine jewelry.

Other top localities were Jackson Township in Ocean County (\$16.7 million), Edgewater Borough in Bergen County (\$16.6 million), the City of Newark in Essex County (\$16 million), and the City of Rahway in Union County (\$15.8 million). New houses accounted for most of the work in Jackson. The rapidly growing Ocean County community had 83 new dwellings, ranking sixth among all municipalities for November. In Edgewater, most of the work was from a new \$15.8-million retail center, which is part of a mixed-use development that includes a parking garage, office space, and condominiums. Residential construction accounted for over half the work in Newark. The City had 136 new houses in November, fourth among all communities. Hackettstown in Warren County had the most new houses in November. This was due to a large, 175-unit assisted-living facility that broke ground. In Rahway, the big project was a new public library/office complex that has an estimated cost of \$10 million.

Year-to-Date

Between January and November, estimated construction costs authorized by building permits totaled \$11.2 billion. This is \$1.4 billion or 14 percent more than the amount reported this time last year. Year-end figures for 2000 reached a record high of \$11.4 billion, so the end-of-year total for 2001 should easily exceed last year's mark.

The number of new houses authorized through November 2001 totaled 32,342. This is 403 units less than the number reported this time last year, a decline of only 1.2 percent. But, since the number of municipalities that submitted their monthly building permit reports was higher this year compared to last, it is unlikely that the number of new houses authorized by building permits in 2001 will significantly exceed those authorized last year.